



EUROPEAN CENTRAL BANK

EUROSYSTEM

# PRESS RELEASE

19 July 2019

## Euro area monthly balance of payments: May 2019

- In May 2019 the [current account](#) of the euro area recorded a surplus of €30 billion, compared with a surplus of €22 billion in April 2019.<sup>1</sup>
- In the 12-month period to May 2019, the current account recorded a surplus of €323 billion (2.8% of euro area GDP), down from €392 billion (3.4% of euro area GDP) in the 12 months to May 2018.
- In the [financial account](#), euro area residents made net acquisitions of foreign portfolio investment securities totalling €61 billion in the 12-month period to May 2019 (decreasing from €555 billion in the 12-month period to May 2018). Non-residents' net purchases of euro area portfolio investment securities amounted to €50 billion (down from €279 billion).

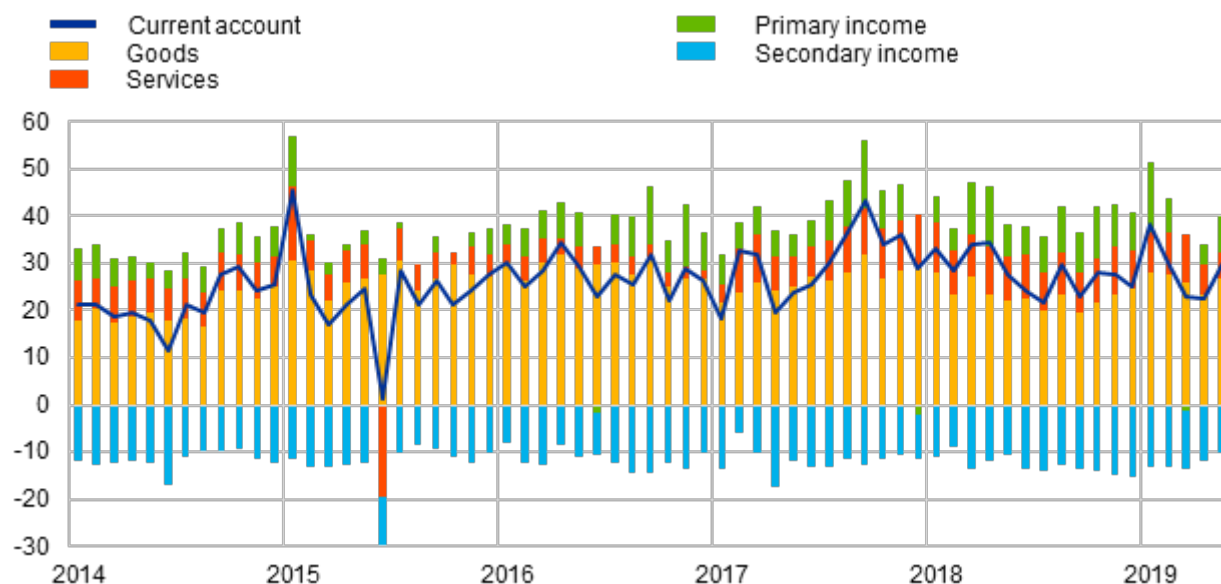
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<sup>1</sup> Current account data are seasonally and working day-adjusted, unless otherwise indicated, whereas capital and financial account data are neither seasonally nor working day-adjusted.

## Chart 1

## Euro area current account balance

(EUR billions unless otherwise indicated; working day and seasonally adjusted data)



Source: ECB.

The *current account* of the euro area recorded a surplus of €30 billion in May 2019, an increase of €8 billion from the previous month (see Chart 1 and Table 1). Surpluses were recorded for *goods* (€27 billion), *primary income* (€8 billion) and *services* (€5 billion). These were partly offset by a deficit for *secondary income* (€10 billion).

**Table 1**

## Current account of the euro area

(EUR billions unless otherwise indicated; transactions; working day and seasonally adjusted data)

		Cumulated figures for the 12-month period ending in				May 2018	Apr 2019	May 2019
		May 2018 % of GDP		May 2019 % of GDP				
<b>Current account</b>	Balance	392	3.4%	323	2.8%	28	22	30
	Credit	4,014	35.2%	4,203	36.0%	342	346	350
	Debit	3,622	31.8%	3,880	33.3%	314	324	320
<b>Goods</b>	Balance	322	2.8%	287	2.5%	22	23	27
	Credit (exports)	2,290	20.1%	2,388	20.5%	193	198	200
	Debit (imports)	1,968	17.3%	2,101	18.0%	171	174	174
<b>Services</b>	Balance	114	1.0%	102	0.9%	9	7	5
	Credit (exports)	891	7.8%	927	7.9%	75	77	77
	Debit (imports)	777	6.8%	825	7.1%	66	71	71
<b>Primary income</b>	Balance	94	0.8%	92	0.8%	7	4	8
	Credit	722	6.3%	773	6.6%	64	63	64
	Debit	628	5.5%	681	5.8%	58	58	56
<b>Secondary income</b>	Balance	-138	-1.2%	-158	-1.4%	-11	-12	-10
	Credit	112	1.0%	115	1.0%	10	9	9
	Debit	250	2.2%	273	2.3%	20	20	19

Source: ECB.

Note: Discrepancies between totals and their components may be due to rounding.

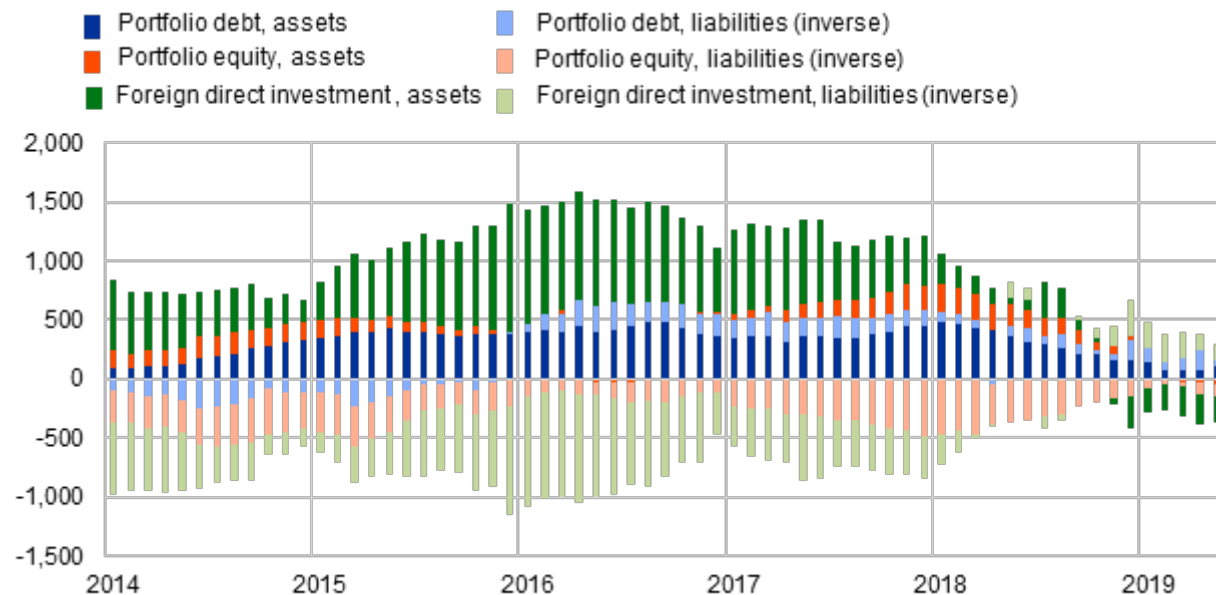
Data for the current account of the euro area

In the 12 months to May 2019, the *current account* recorded a surplus of €323 billion (2.8% of euro area GDP), compared with a surplus of €392 billion (3.4% of euro area GDP) in the 12-month period to May 2018. This decline was driven by smaller surpluses for *goods* (down from €322 billion to €287 billion), *services* (down from €114 billion to €102 billion) and *primary income* (down from €94 billion to €92 billion), as well as by a larger deficit for *secondary income* (up from €138 billion to €158 billion).

## Chart 2

## Selected items of the euro area financial account

(EUR billions; 12-month cumulated data)



Source: ECB.

Notes: For assets, a positive (negative) number indicates net purchases (sales) of non-euro area instruments by euro area investors. For liabilities, a positive (negative) number indicates net sales (purchases) of euro area instruments by non-euro area investors.

In *direct investment*, euro area residents made net disinvestments of €230 billion in non-euro area assets in the 12-month period to May 2019, compared with net investments of €43 billion in the 12 months to May 2018 (see Chart 2 and Table 2). Non-residents also made net disinvestments in the euro area, of €143 billion, continuing the net disinvestments of the 12-month period to May 2018 (€145 billion).

In *portfolio investment*, net acquisitions of foreign *debt securities* by euro area residents decreased to €104 billion in the 12-month period to May 2019, from €360 billion in the 12-month period to May 2018. Over the same period, euro area residents switched from net purchases of foreign *equity* (€195 billion) to net sales of €43 billion. Non-residents' net purchases of euro area *equity* fell to €100 billion in the 12 months to May 2019, down from €362 in the 12-month period to May 2018. At the same time, their net sales of euro area *debt securities* decreased from €83 billion to €50 billion.

**Table 2**

## Financial account of the euro area

(EUR billions unless otherwise indicated; transactions; non-working day and non-seasonally adjusted data)

	Cumulated figures for the 12-month period ending in					
	May 2018			May 2019		
	Net	Assets	Liabilities	Net	Assets	Liabilities
<b>Financial account</b>	424	857	434	255	200	-54
<b>Direct investment</b>	189	43	-145	-87	-230	-143
<b>Portfolio investment</b>	276	555	279	11	61	50
Equity	-167	195	362	-142	-43	100
Debt securities	443	360	-83	154	104	-50
<b>Financial derivatives (net)</b>	15	15		88	88	
<b>Other investment</b>	-70	230	300	220	258	39
Eurosystem	-124	1	125	3	4	0
Other MFIs	34	172	138	267	211	-56
General government	13	-5	-18	-5	6	11
Other sectors	6	61	55	-45	38	83
<b>Reserve as sets</b>	14	14		23	23	

Source: ECB.

Notes: Decreases in assets and liabilities are shown with a minus sign. Net financial derivatives are reported under assets. "MFIs" stands for monetary financial institutions. Discrepancies between totals and their components may be due to rounding.

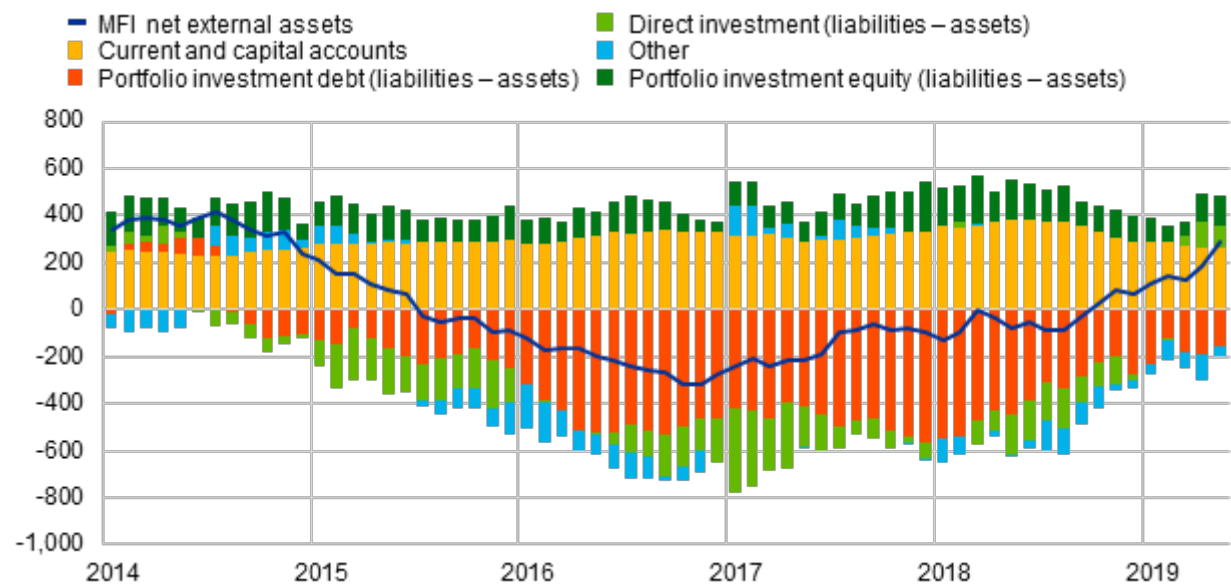
Data for the financial account of the euro area

In *other investment*, euro area residents' net acquisitions of foreign assets increased to €258 billion in the 12 months to May 2019 (up from €230 billion in the 12-month period to May 2018). Furthermore, their net incurrence of liabilities decreased to €39 billion from €300 billion.

## Chart 3

## Monetary presentation of the balance of payments

(EUR billions, 12-month cumulated data)



Source: ECB.

Notes: MFI net external assets as reported in the consolidated MFI balance sheet items statistics. B.o.p. transactions refer only to transactions of non-MFI residents of the euro area. Financial transactions are shown as liabilities net of assets. "Other" includes financial derivatives, other investment and statistical discrepancies.

The monetary presentation of the balance of payments (see Chart 3) shows that the net external assets of euro area MFIs increased by €289 billion in the 12-month period to May 2019. This increase was driven mainly by the euro area's *current and capital accounts* surplus and, to a lesser extent, by non-MFIs' net inflows in *portfolio investment equity* and *direct investment*. This was partly offset by euro area non-MFIs' net outflows in *portfolio investment debt securities*.

In May 2019 the *Eurosystem's* stock of *reserve assets* increased to €751.0 billion, up from €740.4 billion in the previous month (see Table 3). This increase of €10.6 billion was driven mainly by positive price changes of monetary gold, and to a lesser extent by net acquisitions of assets and positive exchange rate changes.

**Table 3**

## Reserve assets of the euro area

(EUR billions; amounts outstanding at the end of the period, flows during the period; non-working day and non-seasonally adjusted data)

	April 2019	May 2019			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
<b>Reserve assets</b>	<b>740.4</b>	<b>1.7</b>	<b>1.6</b>	<b>7.4</b>	<b>751.0</b>
Monetary gold	396.9	0.0	-	6.5	403.5
Special drawing rights	52.8	0.3	0.0	-	53.1
Reserve position in the IMF	24.6	-0.1	0.0	-	24.6
Other reserve assets	266.1	1.5	1.6	0.8	269.9

Source: ECB.

Note: "Other reserve assets" comprises currency and deposits, securities, financial derivatives (net) and other claims.

[Data for the reserve assets of the euro area](#)**Data revisions**

This press release incorporates revisions to the data for April 2019. These revisions did not significantly alter the figures previously published.

**Next press releases:**

- monthly balance of payments: 19 August 2019 (reference data up to June 2019)
- quarterly balance of payments and international investment position: 2 October 2019 (reference data up to the second quarter of 2019)

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**Notes**

Hyperlinks in this press release lead to data that may change with subsequent releases as a result of revisions.